# *Synopsis of the thesis entitled 'The* Role of Girijan Cooperative Corporation in the Development of Rural Markets in the Tribal Area'

**(With Special Reference to Srikakulam and Vizianagaram Districts)**


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## Introduction

India has a total population of 121,01,93,422 which constitutes as per the census of 2011. Madhya Pradesh, Orissa, Chhattisgarh, Jharkhand, Gujarat, Maharashtra and Rajasthan account for nearly three-fourth of entire tribal population in the country. In the graded Socio-economic in equal structure of Indian society, the tribal are at lowest rung and being poor, lead a substandard and subsistence living. Though they are called by different names in different parts of the country, they have in common, many socio-economic and cultural characteristic features. In the graded Socio-economic in equal structure of Indian society, the tribals are at the lowest rung and being poor, lead a substandard and survival living.

During the era of planning, many strategies have been evolved and implemented by central and state governments to achieve an all-round development of tribals. The state government of Andhra Pradesh has played a pioneering role in the development of its tribals who constitute 9.5 Per cent of the state population. The milestone in the history of the development of tribals of the state is the establishment of Girijan Co-operative Corporation in 1956 with the prime objective of uplifting the tribals through marketing and credit activities.

A complete a look at the structure of the study area, it is confined to all the two districts of Srikakulam, Vizianagaram and srikakulam districts from the North Coastal tribal belt of Andhra Pradesh. Due to this reason on the front of household demographic, economic, social indicators as well as the availability of infrastructure facilities Vizianagaram is followed by Srikakulam districts. With regard to several infrastructural facilities like road network, power supply, communication and banking facilities in the selected mandals and villages are in very poor condition.

Among the communities traditional values and social ethos play an important role and significance of socio-cultural factors cannot be ignored in formulation of schemes for their all-round sustainable development.

**At the Country Level**

The organizational framework for tribal development derives its basic structure from the Indian constitution. The Union Ministry of Home Affairs is responsible for policy formulation and coordination of all tribal development programmes. It has certain amount of power in regard to allocation of funds in consultation with the planning commission. The planning commission provides the required analysis and technical support for national development plans including tribal development.

**At the State Level**

The State Governments and Union Territories have separate departments to look after the Welfare of the Scheduled Castes, Scheduled Tribes and other backward classes. In Andhra Pradesh, Bihar, Madhya Pradesh and Orissa separate ministries of Tribal welfare have been formed as provided in Article 164 of the constitution exclusively for tribal development.

**Tribal Sub-Plans at District Level**

A sub-plan, part of district plan of predominantly tribal populated areas, covering several tribal development blocks dealing with problem of the tribal people is an outline of the various programmes, physical inputs, financial outlay, area and programme specific infrastructures in the given districts.

**Assessment of the Tribal Development in Various Five Year Plans**

The programmes for the socio-economic development of the tribal people are based on the philosophy that they should be in response to tribals own urge for better standard of living and development of their culture. Besides providing funds for development of tribal areas, the central Government lays down guidelines to be followed by the State Governments in the

process of implementation of various schemes and their priorities. The funds provided by the Central Government are not subjected to legislative control but are under the mandate of Central Government with the State government as an executive agency. In keeping with the Spirit of the constitution, the five-year plans envisaged the policies and programs for the tribal development.

.**Review of literatures**

An attempt has been made in this chapter to review the existing literature on the different dimensions of social, economic and living conditions of the tribals in India. Many sociologists, anthropologists, political theoreticians and economists have conducted lot of empirical research on the different dimensions of social, economic and living conditions of tribes living in different parts of the India.

In another study Prof.Himondorf (1948) discussed tribals in contract with more advanced and politically powerful ethnic groups leading to pressures on land resources and the triggering moments among the tribals who are usually the losers and deprived of their ancestral land. The report discussed the true problems of exploitation and land alienation by Shahukars and recommended for restricting their activities[i]. The report suggested for separate tribal welfare authority and for taking up various welfare measures in the tribal areas of Andhra Pradesh

Baigas Rao, P.V.,(1955) presents his comprehensive study of the functioning of institutional frame work in the implementation of tribal development programmes, based on field work conducted in the Visakhapatnam Districts of Andhra Pradesh. This study is one of the few works about tribal areas published from this state[ii]. This study includes an extensive review on the history of tribal development programmes in India and Andhra Pradesh.

A study of Tribal economy of Gujarat undertaken by Shah (1967) was based on the Indian Rural Debt and Investment Survey of R.B.I (1961-62) and the study undertaken by

Gujarat State. Shah from both studies selected a sample of 1120 rural households selected from 28 villages. The survey very effectively brought out that tribal economy in Gujarat continues to be stagnant from all points of view[iii]. There is very little diversification in occupations.

Prasad Rao, (1970) in his study on Jatapus of Srikakulam district analyzed various aspects of tribal economy and the changes caused in the community due to the entry of merchants and moneylenders into the tribal inhabitants.

Ramaiah.P (1988), conducted study on Konda Reddy in relation with their shift from traditional crops to commercial crops[iv]. The Konda Reddies are originally shifting cultivators. The introduction of cotton crop brought about fundamental change in the tribal economy. He stated that the crop fetched cash and economically they achieved better position and livelihood.

Chauduri Budhadeb (1992) conducted a macro level study on Indian tribes. The dimensions of socio, cultural, religions and economic changes are highlighted in the study[v]. The interrelationships among the different social dimensions are also examined. The study also analyzed the socio-economic and ecological development issues of Indian tribes.

Subramanyan, K.S. (2001,[vi] analyzed the relationship between developmental programmes and aspiration of tribals in Tripura. The study concluded that the developmental programmes contribute very marginally to satisfy the needs of the tribals. Besides, the study suggested ways and means in respect of better coverage of programmes, of beneficiaries and control of pilferages in the implementation of programmes.

The study on the role of weekly markets in tribal areas by I.Murali Krishnan Rao, examined the marketing system in trial economy and the role of periodic markets in the economic development of tribal economy and the role of periodic market in the economic development of tribals [vii]. An attempt was also made to bring to light the part played by Girijan Corporation in the reorganization of marketing system for the benefit of tribals.

Dr. Missal S.M., (2011), Co-operative sector has played a key role in the economy of the country and always recognized as an integral part of our national economy with its network. Co-operatives have ideological base, economic objects with social outlook and approach.[viii] The Co-operative covers almost all hundred per cent villages in India. Cooperatives have emerged to be the third sector of Indian economy in addition to public and private sector [ix]. Vikram Singh, Astha Bajaj., (2012), the Wal-Marts of the world got hot on retail; India had its own grassroots retail network, known as haats, selling as mindboggling variety of products as a Wall-Mart store.Though traditional, these Indian avatars of hypermarkets promise to drive marketing plans of companies as they eye the emerging rural market, accounting for over two-thirds of India's population, 56% of income, 64% of expenditure and 33% of savings [x]. This paper will tell us what impacts the consumer in rural sector, and how they helped for the growth of rural markets.

**Exploitation of Tribals**

Exploitation of tribals was largely prevalent during and after the British administration in India. The British policy of isolating the tribals from the rest of the country-men and keeping the tribal areas outside the purview of the normal administration amply lead to the exploitation of the tribals, by Zamindars, contractors, forest-guards and other middlemen. Deliberate neglect of the British administration to develop communications in tribal areas has resulted in permanently cutting off these areas from the rest. Under the guise of various programmes of afforestation and conservation, the forest guards inhumanly exploited the tribals.

**Social-Culture in Living Tribes**

Gadabas are a tribe of agriculturists, coolies, and hunters in the Vizianagaram district. Hunting is said to be gradually decreasing, as many of the forests are now preserved, and shooting without a license is forbidden. In the tribals' economy, shifting cultivation still plays an important role. They do practice terracing, dry and wetland cultivation.

**Government Policy**

So far the Indian constitution after independence and with the setting up of a constituent assembly, it was decided to incorporate special provisions for protection and development of tribals. Article 46 of the Indian constitution provides, that he state shall promote with special care the educational and economic interests of the weaker section of the people, and in particular of the scheduled castes and the scheduled tribes, and shall protect them from social injustice.

**Need for the study**

The Girijan Corporation in the state of Andhra Pradesh significantly contribute for the upliftment of the tribals through implementing various programmes particularly in purchase and selling of minor forest products, distribution of loans and purchase and sale of daily requirements over the period. Further, the organization has several deficiencies, problems in various compasses and act as bottleneck to achieve optimum level development in the tribal welfare. Moreover, the challenges faced by this organization are also difficult in nature. Beside the managerial system adopted in the Girijan Corporation in the operational aspects as well as in performance is also determined factor to achieve targets fixed by the organization keeping the above aspects under consideration. The study is critically examined the performance of the organization based on the achievement of the organization over the period.

**Objectives:**

1. To study about the Girijan Cooperative Corporation in the study area.
2. To study socio-economic activities of Girijan Corporation in the study area
3. To analyze the functional activities of the Girijan Corporation in the study area
4. To study the requirement of the tribal in the rural markets.

5. To identity the problems and deficiencies faced by tribals particularly to the Girijan Corporation activities in the study area

6. To study the managerial system for the effective functioning of Girijan Corporation in the study area.

**Research Methodology**

The study covered both primary and secondary data from the role of the Girijan Corporation. The study has collected information pertaining to concepts, objectives and functions of the Girijan Corporation in srikakulam and Vizianagaram divisions as well as the services provided by the Girijan Corporation over the period in the study area.

Secondary data refer to information that has been collected by census reports in Andhra Pradesh, the total population of the GCC in the study area, and collected information about the tribal corporation activities in rural areas, and also collected ITDA, GCC report of annual plans for research purpose other than like, sale of consumer goods, articles of daily needs, primary rural markets may be deemed as growth centres in emerging situation of rural development. Based on this information, the study determined the coverage of the services of the Girijan Corporation over the period.

The study carried out an attitudinal survey among tribals in different tribal mandals. Further, the study covered 500 respondents out of which some are beneficiary respondents in five Mandalas of 100 in Each Mandal, 10 Villages were Covered Namely; Seethampeta, Pathapatnam,Saluru,Gummalakshmipurum,Parvathipuram,eachVillageNamelyParvathipuram, Komarada, Jiyyyamvalasa, Adduruvalasa, Puligumiudi, Dokiseela, Muneru, Beerupadu, Pedasakha, Kenisilli, Gumada, Yendabadra, Ramabadrapuram, Kurupam, Valasa Balleru, Duddukallu, Kedaripuram,Gummalakshmi Puram, Thadikonda, Gorada, Kondukuppa, Dummangi, Gumma, Soppagottili, Jumbbli, Gotiwada, Taisala, Bobbidi, Pachipenta, Pudi, Duggeru, Thodilova, Thonam, Kurukutti, Kothavalasa, Manchadavalasa, Desali, Konda

Kenguva, Chepuruvalasa, Saluru, Vetaganipalem, Mentada, Seethampet, Marripadu, Donubai, Bhamini,Polla,Kusumi,Kodisa,Gottipalli,Battils,Addakulla,Guda,Makkava,Manapuram,Pedarama, Putikavalasa, Valasagedda, Pathapatnam, Bondikarru, Goppili,Singupuram, Sabarikota, Chinacosta, Pittura, Bandapalli, Lotturu, Jeedipenta, Naraharipuram, Dasupuram, Neelabontu, Savaralingapuram.

The information collected from the respondents related to the socio-economic and personal characteristics, services provided by Girijan Corporation, problems faced by the respondents particularly in marketing aspects and suggestions. Based on this information, the study analyses the performance of the Girijan Corporation and also identified problems faced by tribals.

**Data analysis**

For analyzing the responses of the two segments of respondent's viz., beneficiaries and non-beneficiaries of the respondents, and other respondents and for presenting the findings, statistical analysis SPSS (statistical package for social science) is applied and the following techniques have been utilized. Analyze of standard deviation of the study area, mean, paired sample test, one sample test and also t'test used for the respondents

**Presentation of the study:**

The present study is divided into eight chapters. Chapter-I explain of the all aspects on tribals, introduction, their emergence in different societies, and their impact on individuals. Chapter- II presents review of literature pertaining to the study. Chapter -III deals with the socio-economic profile of the tribal study areas adopted by the respondents. Chapter- IV Its gives detailed of Girijan Cooperative Corporation and other beneficiaries' respondents to the study area .Chapter-V to discuss the coverage to social problems by the selected divisional respondents. Chapter-VI deals with particular rural markets requirement of the tribal social problems in rural markets in the study. Chapter-VII particularly requirements of the tribals

daily requirements of the GCC, purchase of the domestic requirements in the tribals. Chapter-VIII survey of analyzes data analysis and interpretation of the study areas.

**Rural marketing**

The villages are the backbone or the soul of India. With more than two thirds of the Indian population living in rural areas, rural India reflects the very essence of Indian culture and tradition. A sustain development of India as a nation sustained the holistic development of rural India. Farmers could use the connected computers to get commodity prices faster, or get information on new agricultural techniques.

The important role of the rural markets serve as small and marginal farmers produces in their surplus. The market process of price formation interesting rural market is open free rational situation of perfect competition, profit motive in rational rural development.

**Major Income of Rural consumers is from Agriculture**

Rural Prosperity is tied with agriculture prosperity. In the event of a crop failure, the income of the rural masses is directly affected.

**Traditional Outlook**

Villages develop slowly and have a traditional outlook. Change is a continuous process but most rural people accept change gradually .This is gradually changing due to literacy especially in the youth who have begun to change the outlook in the villages.

**Rising literacy levels**

It is documented that approximately 45% of rural Indians are literate. Hence awareness has increased and the farmers are well-informed about the world around them. They are also educating themselves on the new technology around them and aspiring for a better lifestyle.

**Diverse Socioeconomic background**

Due to dispersion of geographical areas and uneven land fertility, rural people have disparate socioeconomic background, which ultimately affects the rural market.

**Infrastructure Facilities**

The infrastructure facilities like cemented roads, warehouses, communication system, and financial facilities are inadequate in rural areas. Hence physical distribution is a challenge to marketers who have found innovative ways to market their products. As part of planned economic development, the government is making continuous efforts towards rural development. In this age of liberalization, privatization and globalization, rural market offers a big attraction to the marketers to explore markets that are untapped.

**RURAL PRIMARY MARKETS**

Rural Primary Markets include mainly the periodical markets known as haats, shandies, paints and fairs which are estimated to more than 21,000 to a maximum of 47,000 in the country. These are located in rural and interior areas and serve as local points to a great majority of the farmers, mostly small and marginal for marketing their farm produce and for purchase of their consumption needs.

**Shandy:** 'A place where people assemble on a specific day, at least once in a week in order to buy and sell'

**Buying function**

Perhaps, buying is the most important among the various function of the corporation. The buying function springs out of the corporation's avowed objective to shield the tribal from the exploitation of local merchants in the purchase of forest and agricultural products. Augmenting tribals, income by supplying their domestic requirement at reasonable prices in turn necessitates their acquisition in the whole sale markets.

(i) Procurement of minor forest produces from the tribals

(ii) Procurement of agricultural produce from the tribals and

(iii)Purchase of domestic requirements from the wholesale markets.

**Selling function**

The corporations selling and buying functions are inter-dependent whatever is purchased by the corporation is intended to be resold either to the ultimate consumers or industrial users or middlemen or to the tribals themselves in case of domestic requirements.

(i) Sale of forest produce

(ii) Sale of agricultural produce and

(iii)Distribution of domestic requirements to tribals.

**Purchase of minor forest produce**

The primary function of the corporation is to purchase different commodities of minor forest produce from the tribal. The corporation undertakes this function with the aim to augment the income of the tribal people by offering them fair and reasonable prices for their minor forest produce. The corporation was granted monopoly right over the purchase of minor forest produce for its effective functioning. Thus, the traders were legally prohibited from purchasing the minor forest produce from the tribals.

**Supply of Items**

The daily requirement of commodity supplied by the corporation can be classified into two categories controlled items and non-controlled items. The controlled items include rice, sugar, kerosene and controlled cloth. The non-controlled items include edible items oil, toilets, manufacture goods, clothes fancy goods, and groceries etc. There are ground nut oil, coconut

oil, dhal, dry fish, salt, tea packets, soaps bangles, tooth paste, various types of clothes sari, dhotis, and blankets plastic and several other toilets and fancy gods

**Procurement Minor Forest Produces**

The Girijan Corporation purchases outright all the items of minor forest produce brought by the tribals. There are 45 items of minor forest produce which the corporation produces for, the tribals in the various agency areas through the state.

There are 25 commodities of agriculture produce purchased by the corporation. They include commodities of both food and commercial crops. The major items under food crops are; paddy, jawar, bazar, cholam, block gram, Bengal gram, red gram and French beans. The commodities of commercial crops include Annatto seed, Niger seed, Turmeric, caster seed and coffee seed. The corporation sells the agricultural produce it purchased from the tribal. It sells the produce in the open market to the private trader's and whole sale dealers. The corporation does not undertake any processing before the disposal of the produce. As all the items of agricultural produce have local demand, the produce will generally be disposed of in the markets which are near to the primary societies.

**Sale of Minor Forest Produces**

The sale of minor forest produces which it procured from the tribals in the open market. It has no monopoly in the state of minor forest produce form the plan area of the state and from the neighboring state where these products are grown in plenty. In the sale of the minor forest produce, the corporation aims at securing maximum profits.

**Sale of Domestic Requirement Commodities**

The other function of the Girijan Corporation is the supply of essential commodities to the tribals. The main objective is to ensure the tribal with free flow of essential commodities like rice, salt, dhal, oil, cloth etc., at cheaper prices at their door step. For the purpose, the corporation opened a network of sales centers called as daily requirement depots at contained places throughout the scheduled area and also in plain area where sizable number of tribal people live.

**Promotional Strategies for the products**

Modern marketing calls for more than not only developing good products but also for marketing them and making them accessible to target customers. Organizations with product line up should manage complex marketing communication systems. Marketing communications mix also called as promotion mix consists of three major tools one advertise, sales promotion and public relations.

**Sale of Products through Rhythm Mithras Scheme**

The Government of Andhra Pradesh has approved the rates offered by Girijan Corporation through its state level executive committee and the GCC is already supplying the products in most of the districts where Rhythm Mithras scheme is introduces. In view of service draught conditions and the resultant tamarind crop failure, the Government authorized the Girijan Corporation to purchase tamarind from other tribal development societies to process and market it through Rhythm Bazars and forest products shops.

**The New products Development through the Research&Development**

Though the GCC is not having quality control centers of its own, it is out sourcing the Service by assigning the research department activities to institute of national repute, training agencies and freelance scientists having relevant expertise.

**Conclusion**

The above strategies significantly contributed for the effective functioning of the organization as well as to improve the coverage of the services of the GCC at gross root level. Moreover, the strategies solved problems in organization, functional, and ground level exists in various spheres. Apart from this, the suggested policy frame will fulfill the objectives of the organization and also cater the basic needs of the tribal people to achieve development in optimum manner. The discussion in the earlier chapters indicates that there are wide fluctuations reported in the coverage and activates of the GCC, Particularly in the Purchases and Sales of MFP, loans disbursement and purchases and sales of DRs over the period. Besides this, the beneficiaries, non-beneficiaries survey and institutional survey results are also envisage that several problems and deficiencies exist in organizational, functional activity, marketing and infrastructural aspects of reorganization.

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